THE CANADIAN personnel & industrial relations JOURNAL

contents

FOR JUNE, 1954

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personnel & industrial relations

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The CANADIAN PERSONNEL AND INDUSTRIAL RELATIONS JOURNAL is published quarterly by the Federation of Personnel Associations of Ontario and other Personnel Associations throughout Canada. Editor is J. Rae Perigoe, 143 Yonge St., Toronto.

Yearly subscription is $3.00 to members of Canadian Personnel Associations: $4.00 to others. Extra copies of this issue $1.25 each. Treasurer, Miss M. J. Donnelly, Prudential Insurance Co. of America, Bank of Nova Scotia Bldg., Toronto.

Go, Little Book . . .

THE ONLY WAY to get anything going is for somebody or some group to get at it in spite of the difficulties that present themselves.

Canadian Personnel administrators have long wished for a publication that would give them the information they needed without translation into our purely Canadian legal and social environment.

For instance they want to know how we are going to react to the Guaranteed Annual Wage demands of the big international unions. They wonder why our arbitration machinery is so inadequate. They would like to hear about how other Canadian firms do the things they have to do. They imagine that there are some people doing big things personnel-wise in Canada but they never hear of them.

The purpose of this Journal is to bring you quarterly information on Canadian personnel problems, interpretations of provincial labor laws, and many other helpful and interesting features that affect the business life of the personnel administrator.

The first issue is sponsored by eleven Canadian personnel associations from Montreal to Vancouver. At the suggestion of the Federation of Personnel Associations of Ontario they rallied to support the first issue.

The next issues, if there are any, will depend on individual or group subscriptions.

We would welcome your comments and suggestions for future issues.

HAROLD L ARMSTRONG,
President, Federation of Personnel Associations of Ontario.

Sponsors of the Personnel Journal

The following Personnel Associations are participating in financing this trial issue of the Journal:

Eastern Townships Personnel Association, President, William Clifford, St. Lawrence Corp. Ltd., East Angus, Quebec. Secretary, Lionel J. Caron, Canadian Ingersoll-Rand Co., Ltd., Sherbrooke, Quebec.

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Women's Personnel Association, Toronto, President, Mrs. D. F. Thom, Peek Frean (Canada) Ltd., Toronto. Secretary, Miss M. J. Donnelly, Prudential Insurance Co. of America, Toronto.

Distance No Idea Bar

I BELIEVE that we often tend to think of distance as a limiting factor in co-operation. In the physical sense this is true, but in the realm of thoughts and exchange of ideas it ceases to be so significant.

We Personnel people on the West Coast of Canada have in the past, because of proximity and similarity of business and industry, built up a very close and valued association with the Personnel people of Washington and Oregon. This international aspect of our P.N.P.M.A. has done much to expand the horizons of both groups.

However we welcome the idea of a Personnel Journal being published in Canada, and feel that our American affiliates on the West Coast will also be interested in receiving it and contributing to it.

We are looking forward to the trial run of this first Canadian Personnel Journal and believe that its continuance through the years may result in a clearing house of ideas from Oregon to Halifax.

J. W. MUIRHEAD,
President Vanvouver Chapter,
Pacific Northwest Personnel
Management Association.

The Growth of a Federation

IN 1948, a group of presidents of Ontario and Quebec Personnel Associations met with the Board of Directors of the Toronto Association during the Annual Personnel Conference. Among the many matters discussed at that meeting was the idea of forming a Federation of Personnel Associations, and in 1951, seven Associations in Ontario decided to give it a trial.

The purpose of the Federation is to further sound personnel practices and to encourage constructive employer-employee relations by assisting in developing education programs for all Associations and by fostering personal contacts between men and Associations; exchanging information and acting as a source for speakers, and in such other manner as may be deemed advisable from time to time.

The Federation undertook to issue four bulletins a year to over 600 members in Ontario. These bulletins contained Association news, articles of interest and copies of speeches given to various conferences and Association meetings throughout the province.

Member Associations appoint two representatives to the Board of Directors for the first 100 members and one additional representative for each 100 additional members or portion thereof in the Association. During the past three years, the Board has met on the average of three times a year.

The latest development of its activities is this publication, and it is suggested that the name be changed to the Canadian Federation of Personnel Associations and invite all Associations across Canada to participate in its program.

The purpose of a Canadian Federation would mean a greater opportunity to exchange information and ideas, and a stronger and better Personnel Journal for the use of personnel men.

Below is the Board of Directors and officers of the Federation in Ontario for 1954.

President, Harold L. Armstrong, Canadian General Electric Co. Ltd., Toronto Assoc.; Vice-President, E. R. Barrett, The Eaton Knitting Co. Ltd., Hamilton Assoc.; Secretary, Wm. G. Scott, Dom. Electrohome Industries Ltd., Grand Valley Assoc.; Treasurer, Len W. Woodman, Outboard Marine & Mfg. Co. of Canada, Peterborough Assoc.; Directors: Os. Boase, Hayes Steel Products Ltd. (Merriton, Ont.), Niagara Dist. Assoc.; Bruce Broad, B. F. Goodrich Co. Ltd. (Waterloo, Ont.), Grand Valley Assoc.; Vic C. Cook, Cdn. Cellucotton Prod. Co. (Niagara Falls), Niagara District Assoc.; Miss M. J. Donnelly, Prudential Insurance Co. of America, (Women's), Toronto Assoc.; W. T. Hood, American Can Co., Hamilton Assoc.; Stewart James, Quaker Oats Co. of Canada Ltd., Peterborough Assoc.; George H. Pettet, Christie Brown & Co. Ltd., Toronto Assoc.; S. Alex. Saunders, Canadian National Institute for the Blind, Toronto Assoc.; Miss Helen Seeds, W. J. Gage & Co. Ltd., (Women's), Toronto Assoc.

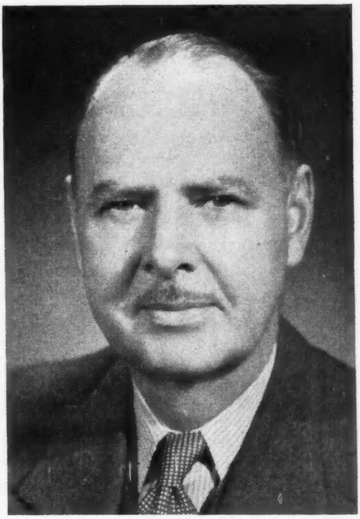
E. R. Complin of C. I. L.

by Lloyd Hemsworth

MOST READERS of this Journal are probably already well acquainted with E. R. Complin of Canadian Industries Limited. He is usually in sight at important conferences or meetings. Rex has had some influences over a broad front on employee relations policies and practices in Canada.

He claims his conversion from civil engineering to safety engineer and on to personnel administration started with the toss of a coin. Subsequently his career took him (after graduation from the University of Toronto) from the Toronto Transportation Commission, to Ford of Canada and to General Motors at Oshawa. In 1928, he emerged as Director of Personnel for General Motors.

In 1936 C.I.L. sought him to take over industrial relations in that multi-plant chemical company. During the war he was simultaneously Employee Relations Manager in the gigantic Defence Industries Limited, except for a short spell on loan as Chief Executive Officer of the National War Labour Board in its organizing stage. It is rumored that after July 1 he will be found with Du Pont of Canada, one of the two new companies resulting from the division of C.I.L.



Rex has been a member of the Canada Labour Relations Board for several years. An early member of the Toronto Personnel Association and President of the Montreal Personnel Association, he has also been chairman and member of several committees of the Canadian Manufacturer's Association, the Canadian Chamber of Commerce, and the Quebec Industrial Relations Institute. He is closely identified with the Industrial Relations Centre of McGill University.

Awarded the O.B.E. in recognition of war effort in the industrial front, he is inclined to believe that the greatest tribute of his career is a head table seat at the annual dinner of the United Mine Workers, District 50.

Rex has a son 22 years old and two daughters aged 19 and 20, one of whom attends McGill. He claims to derive great insight into personnel administration and some amusement from the reactions of the two employed offspring. Interests include golf, bridge, gardening and "puttering."

D. F. Miller of the Canadian Fishing Company

by Emmerson H. Gennis

DONOVAN F. (DON) MILLER

Donovan F. (Don) Miller of The Canadian Fishing Company in Vancouver, has been awarded the Sloan Fellowship for participation in the Executive Development Program at Massachusetts Institute of Technology.

Each year, 30 young industrial executives are awarded Sloan fellowships at M.I.T. This year the group includes 26 from the United States, one from Canada, one from Mexico, and two from Puerto Rico.

Under the provisions of the Executive Development program, the successful candidates are chosen early in their industrial careers, when they have a long service to industry ahead. The program, which continues for one year, provides an opportunity for orientation to the fundamentals underlying management action, rather than a review of management policies and techniques. It provides the Fellows a special opportunity to view the long range development of business in the perspective of technological advancement, as well as within the economic and human framework of management problems.

In past years, fellowships have always been granted to graduates of Universities with Engineering Degrees. For the first time, an exception has been made to this policy, to allow Don Miller, a Commerce Graduate of the University of British Columbia, to be awarded a Fellowship.

Born 35 years ago in Winnipeg, Don Miller spent the early part of his life on the Prairies before moving to Vancouver in 1936. When he left High School, Don went to work at a financial house in Vancouver and later joined the Anglo-British Columbia Packing Company Ltd., as a general office assistant.

It was in this job that he got his first taste of the fishing industry. However, it was a short-lived experience, as, in 1941, he joined the Royal Canadian Naval Volunteer Reserve. He served in the Navy until 1945 and saw active service as a Lieutenant on a frigate in the North Atlantic, European, and Arctic theaters.

Towards the end of the War, he was appointed Duty Officer of the Canadian North Atlantic Command in Combined Operations based at Halifax, Nova Scotia, from where he was transferred to Esquimalt, B.C., as Assistant Staff Officer, Operations.

Following discharge in 1945, he enrolled at the University of British Columbia and graduated in 1947 with a Bachelor of Commerce Degree. After graduation, Don joined the staff of the Personnel Department of the Canadian Fishing Company, and in 1948, became Manager of the Personnel and Industrial Relations Department.

Labor agreements in the fishing industry of British Columbia are negotiated on an industry-wide basis with a Labor Relations Committee set up with representatives of various companies in the industry. Don has acted as a spokesman for the industry in the plant worker negotiations and each year negotiates 16 agreements covering 14 companies and approximately 5,000 employees, in addition to agreements covering salmon tendermen (men aboard

packing boats) and wooden shipyard agreements.

He also acts as company and industry representative on the Vancouver Board of Trade, Industrial Relations Committee; the Vancouver Division of the Canadian Manufacturers Association, Industrial Relations Committee; as alternative representative on the Industrial Association of B.C., and takes part in inter-industry groups covering legislation such as Labour Relations Act, Workmen's Compensation Act, Unemployment Insurance Act, and others.

Don joined the Vancouver Chapter of the Pacific Northwest Personnel Management Association in 1947. During the 1949 Conference held in Vancouver, he was Chairman of the Arrangements Committee of the Central Conference Planning Committee. In 1950 he was Chairman of the Membership Committee of the Vancouver Chapter and in 1951 was elected President of the Vancouver Chapter and also served as Vice-President for British Columbia on the Executive of the P.N.P.M.A. in 1952.

In addition to his activities in personnel work and industry, he is Commerce Degree representative on the Board of Management of the University of British Columbia Alumni Association. He is leader in the Boy Scout Association and active in the local Parent-Teacher Association.

The Thirteenth annual Toronto Personnel Conference will be held at the Royal York Hotel, Toronto, April 21 and 22, 1955.

The Industrial Accident Prevention Associations of Ontario will hold their next annual conference at the Royal York Hotel, April 4 and 5, 1955.

The Canadian Council of Foremen's Clubs annual conference will be held in the Royal York Hotel, October 28, 29, 1954.

An Experiment in Co-Operative Study

Promotion of mutual interests sought amid basic differences

by Professor H. D. Woods

Director, Industrial Relations Centre,
McGill University

FRICTION in labour and management relations occurs frequently and demonstrates the fundamental conflict of interest between unions and management. This reminds us that the idea that the objectives of the two are identical is erroneous. While it is desirable to recognize this truth, it is equally important to realize that the conflict of interest can be over-emphasized. If both parties recognize the potentialities of mutual interests, these very interests can be advanced.

This suggests certain questions about the role of universities in the promotion of understanding of the nature of the industrial relationship. There is no simple way of stating what the university role should be. Nor have we accumulated enough experience in the various university institutes of labor or industrial relations to give, the answer to the problem. Nevertheless we are gaining significant experience and tentative answers do suggest themselves. It is the purpose of this article to describe an experiment in multi-partite collaboration which was made possible by means of university assistance.

During the winter of 1951 and 52 the McGill Industrial Relations Centre organized a management group to discuss the problem of arbitration of rights disputes under union agreements. Rights disputes mean disputes under the agreement involving and interpretation of an alleged violation of the agreement. The meetings were quite successful.

H. J. Clawson, formerly Industrial Relations Manager, Crane Limited, Montreal, and now with the Steel Company of Canada in Hamilton, Ontario, concluded that there would have been more fruitful results if union representatives had been present. The group had been conducting an investigation using only half the evidence and consulting only a section of experience. Conclusions reached, were limited by the framework of managerial thinking which described the experience of the members. The subject was one of vital concern to unionists, to the degree that the process of arbitration under agreements is certain to be substantially influenced by union attitude. Indeed, as members of this study group recognized, labor-management accommodation machinery takes its form from the pressures which produce it.

Unionists Brought In

The frustration felt by the industry group led to an appeal to the Industrial Relations Centre to broaden the scope and bring in the unionists. The idea was accepted and expanded from bi-partite to multi-partite, to include representatives from industry, labor, the legal profession, the

judiciary, and the university. A positive response came from all groups except the judiciary; and in the 1952 and 53 winter session six full evening meetings at the university were held.

Of the 40 persons invited, approximately 25 accepted. Representing industry were individuals holding important industrial relations positions in their own companies, officers of business organizations such as the Canadian Manufacturers' Association, Mr. Cheasley, the Head of the Industrial Relations Section of the Montreal Board of Trade, Mr. Williams, Director of the Quebec Industrial Relations Institute, and others. The unions were represented by Mr. Lamoureux, President of the Quebec Federation of Industrial Unions — C.C.L., Mr. Picard, President of the Canadian and Catholic Confederation of Labor, Mr. Bennett, Secretary of the Quebec Federation of Labor — T.L.C., and several others. Lawyers, prominent in labor-management relations, included Mr. Caron, Mr. Cordeau, Mr. Lapointe, Mr. Desaulniers and other. The University supplied a group of economists, political scientists and legalists. Two qualifications were common to all participants — interest in the problem, and personal arbitration experience, either as a chairman, a board member, or an advocate.

Joint Seminar Evolves

A luncheon meeting was arranged to discuss the idea of a joint study group. The writer invited individuals who were considered to be representative of business and unions. The emphasis was on personal confidence and communication possibilities, rather than on position, although the latter point was not ignored. While all three labor federations were represented, the presidents were not at the meeting, simply because others in their organizations were at that time better known to the Director of the Industrial Relations Centre, who issued the invitations. The same was true of the management representatives.

This committee laid the foundation for the study group or "Joint Seminar" as we later called it. An area of study was selected, a title given, invitation policy settled, meeting times and places set, and the form of reporting discussed. The question of a chairman produced the first indication of the clash of interest which is never far below the surface in labor-management relations. It had been assumed that Mr. Clawson, who had so successfully chaired the management group the previous year, would continue. A compromise was necessary, and it was argued that Mr. Clawson would provide continuity by chairing the project, but that each evening the meeting would be turned over to one member designated to lead the discussion. This compromise failed to take realistic account of the relationship and had to be abandoned later.

In spite of this difficulty the meeting was constructive and the success of the venture owed much to their actions. Immeasurable support was added when the members of this group agreed to allow the use of their names in the promotion of the Joint Seminar.

Mutual Concern in Arbitration

A memorandum, based on the discussions of the planning committee, and the agreements reached by its members, was prepared and circulated to the

invitees with a request that they indicate their intentions to participate. The memorandum directed attention certain problems of mutual concern in the arbitration field. This was done to focus attention on practical matters meaningful in the experience of the invitees. But to avoid any misunderstanding about the method of operation, the following paragraph was included:

> It is the intention that procedure shall be in no way formal nor that any recorded votes shall be taken. Rather, the emphasis will be on discussion, and the ideas and points of view will be recorded and will be reported back to the group. It is felt that with a tripartite group of this nature it is better to operate this way than to attempt to get unanimity on all ideas. Essentially the purpose is to pool ideas on a series of problems which concern all parties involved. If the experiment demonstrates value, additional areas may be taken up at a later date.

The response from management, the unions, and the university staff was gratifying; from the legal profession less so, and from the judiciary negative. This probably reflects in part at least the importance of the personal factor and personal acquaintance.

First Discussion Groups

The first meeting was concerned with program planning. As a preliminary orientation, about half the meeting was devoted to a discussion of the problem. As might be expected, this ranged far and wide and resulted in confusion. Two factors of significance were apparent. First was the conflict in perception. Interest groups defined the problem in the image of their own objectives. Second was the politics of the group reflected in attitudes of caution and perhaps some hostility. Not much was achieved. There was a difference of opinion on terms and only limited agreement on definitions. But there was a beginning of an intellectual loosening-up, at least to the point where an agenda for the following evenings could be worked out. The following quotations from the report of that first meeting clearly illustrate the dynamics of the group and the degree of success achieved:

> 1. The group decided to confine itself to disputes arising during the term of an agreement, i.e., rights disputes rather than interest disputes.
> 2. It was decided to use the term conciliation when that is really what is meant and arbitration only where the parties are obligated to accept the award as binding.
> 3. The group considered at length the advisibility of holding a series of evening meetings or having a two day conference without evening meetings. It was agreed to proceed with a few evening meetings and to consider the desirability of a conference later.
> 4. The next meeting was fixed for eight o'clock on Thursday, March 12, 1953.
> 5. The group agreed that Mr. Clawson would act as a continuing chairman for the group as a whole, but at each meeting the chair would be taken by somebody designated by the group because of his

particular competence and interest in a special feature of the problem.

6. Professor Scott was asked to chair the second meeting and to open the discussion on, the arbitrator — judge or mediator?

7. On Professor Scott's suggestion, the group agreed to a second topic; principles in rights disputes, and asked him to lead the discussion on this second topic as a natural outgrowth of the topic chosen.

8. Professor Woods announced that Justice Tyndall, judge of the New Zealand Labor Arbitration Court, would be speaking on March 19. The group decided to postpone their own agenda for that evening, so that they could hear Justice Tyndall. Professor Woods agreed to notify all members.

9. It was decided to use name cards in the future, so that the group would know who people are and what organization they represent.

During the discussion of the paper by Professor Scott, one of the management representatives detected the failure of the partisan chairmanship. He reported to the Director that he felt it would be necessary to transfer the chair to one of the university representatives to establish its neutrality. He felt that discussion was both restained and unconsciously diverted by the presence of an industry man in the chair. This observation was made by a close friend of the incumbent who recognized his skills as a chairman. It was not that personal skills were lacking, but rather a problem of occupational disqualification. It was recognized that his occupying the chair was depriving the group of the arbitration knowledge of one of its most experienced members. The following week one of the university neutrals assumed the chairmanship.

It was in this third group meeting that the chairman made the remark that people were beginning to cross intellectual picket lines. Management and union interest positions were still held, but ideas were being communicated in both directions. Interests were redefined somewhat and from time to time management or union ranks would break or would receive support from unexpected sources. The phenomenon was expressed in another way by a university member who remarked privately to the chairman: "These people are all becoming students of the problem." — implying that there was an increase in objectivity.

The remaining meeting were concerned with discussion of short papers by Marc Lapointe, Guy Desaulniers, and Lloyd Hemsworth. We moved from principles through practice to machinery or arbitration. The effectiveness of communication increased as time passed. There was less argument and more discussion, oratory disappeared and quick, short, constructive conversation increased. We came to no formal conclusion; we put nothing to a vote. But one sensed that members of the group were less dogmatic at the conclusion of the meeting than at the beginning; that positions firmly held were now being challenged in their own thinking by those who had held them. A comment by one management participant is revealing: "We have been trying to tell the unions these things for years but without success. Here in six meetings they are beginning to listen." The neutral observer

might suggest that it would have been appropriate also for a union man to make a similar remark with the roles reversed.

Canadian Arbitration Machinery Inadequate

On all sides there was agreement that the machinery of arbitration in Canada is inadequate. Some time was devoted to a discussion of the American Arbitration Association. This led to a consideration of the possible introduction of a branch in Canada of this Association, or to the formation of an independent organization which would borrow American Arbitration. Association principles and procedures and adapt them to Canadian law and custom.

As a means of increasing their knowledge of the magnitude of the problem as it exists in Quebec, the group asked the Industrial Relations Centre to make a study of the volume of arbitration and the sources of personnel for boards. This was undertaken by Miss Joan Walker, the research secretary, in the summer of 1953. At the same time the Director of the Centre visited the American Arbitration Association in New York to learn more of their methods.

In October 1953 the group was called together again for two meetings. The group has not disbanded. The component representatives have gone back to their respective organizations, where discussions are going on about the experiment in multi-partite consultation, and more particularly about the possible next steps to improve arbitral machinery.

Drawing Some Tentative Conclusions

There remains only the task of suggesting some tentative conclusions to be drawn from this experiment. Two groups of people, labor and management, whose normal relationship contains a large element of conflict were able to come together in a constructive effort which, produced startling results. It is necessary to examine the context and the principle influences to see if this will reveal the conditions required for success.

The general picture in collective bargaining was one of reasonable stability. There was nothing as disturbing as the railway strike of a few years earlier, although we were moving into the steelworkers strike in the mines in Northern Ontario and Quebec. In other words, the general climate of labor-management relations was not unusually disturbed.

The personnel from labor and management were not normally bargaining directly with one another. They were representatives from various organization with decided orientations, but these were not supported by emotional overtones arising out of directly hostile experience with their opposite numbers. Moreover they were not alone, but rather mixed in with persons from the legal profession and from the university itself.

The careful preparatory planning had probably fortified the accepted view of the university as neutral ground and reduced mutual suspicion. But the problem of the chairmanship clearly demonstrated the importance of strict neutrality on the part of the university.

Unfortunately, the evidence would not be complete without a personal reference. The Director of the Centre who organized this group, and who took the chair in the third meeting, had been working in the labor relations

field, both in the University and as an arbitrator for several years. The latter role brought him into close contact with many of the group participants, and in a sense he became a medium of communication in a situation where the volume would normally be low.

The selection of subject matter was important. It was realized in the planning stage that, it was necessary to start with a problem that had wide scope of agreement and where both the initially interested parties recognized obstacles to the achievement of their interest. It was for this reason that settlement of bargaining disputes was rejected and settlement of rights disputes chosen.

The terms of reference emphasizing no attempt at conclusions, informality, and undefined objectives, removed the fear of commitment from the individuals. This sense of security was strengthened by the practice of group decision on all matters of procedure. There was no feeling of pressure.

May Reveal Universities' Role

Finally, the location in the university, the presence of university "resources" men around the table, the continuity provided by the staff of the Industrial Relations Centre between meetings, and the general pervading atmosphere of objective enquiry was infectious and thereby helped to foster communication.

No final conclusions are drawn. All of the effects are not known, nor can they be. There is evidence that management thinking, even beyond the group has been influenced by the discussions, although undoubtedly the members would feel the impact much more strongly. It is known that one of the Labor Federations has, partly through this influence, altered its official policy on arbitration. In other unions a reappraisal is going on. Finally, the project for an Arbitration Association is slowly developing. But even if nothing comes of it, the joint seminar was a success. Indeed, the Industrial Relations Centre is now planning a follow-up and is preparing to move into a somewhat more contentious area. Perhaps one of the roles of a university in industrial relations is implicitly defined in this experiment.

Data on 1954 Monthly Salaries for Engineering Graduates

by National Employment Service

Branch	Average	Median	Low	High
Engineering, (Any)	$315.00	$315.00	$220.00	$380.00
Engineering, Aero	310.00	320.00	300.00	320.00
Engineering, Agricultural	277.00	280.00	230.00	310.00
Engineering, Chemical	322.00	320.00	250.00	500.00
Engineering, Civil	315.00	320.00	230.00	400.00
Engineering, Electrical	305.00	315.00	250.00	425.00
Engineering, Physics	329.00	320.00	250.00	380.00
Engineering and Business	311.00	315.00	275.00	325.00
Engineering, Forestry	311.00	315.00	275.00	325.00
Engineering, Geology	328.00	315.00	300.00	390.00
Engineering, Mechanical	308.00	310.00	250.00	400.00
Engineering, Metallurgy	311.00	315.00	275.00	375.00
Engineering, Mining	327.50	315.00	265.00	415.00
Engineering, Petroleum	351.00	350.00	300.00	375.00

What is a personnel manager? Agreement must be reached if confusion is to be avoided

Survival of Personnel Management

by Professor E. D. MacPhee

Director, School of Commerce, University of British Columbia

I HAVE RECENTLY examined a number of industrial developments of the 20th century to ask whether they constituted an orderly evolution, or a more abrupt and energetic change in direction. Revolutions often leave in their wake shattered hopes, broken promises and disillusionment. Remember the long line of scientists and pseudo-scientists who, through the years, have initiated revolutionary changes in personnel work and have set themselves up as personnel advisors to industry in the selection of persons suitable for this or that job.

The phrenologists, with their 37 faculties; the physiognomists, with their attention to the shape of the chin, the length of the lip or the nose, the height of the forehead, the color of the hair; the graphologist, who claims to tell what a person is from his handwritings, have been found to give no better predictive value than pure chance.

Then came the psychologists, of whom I was one. The individual testing scales of Binet soon proved to be a useful diagnostic device for clinical work. The U. S. army instituted an extensive group testing scheme in World War I and developed batteries of trade tests. I was one of those who hoped that the specific tests of aptitude and skill could be directly applied to industrial selection—and I was wrong. The idea, but not the specific technique, was applicable and industry had to devise its own tests and classifications.

A few large firms, such as Western Electric and Procter and Gamble, began to approach the problems in a more scientific and business-like manner. They reasoned that since individual differences did exist, and probably could be measured, an adequate and sustained research program might well show them how to adapt these individual differences to the varied requirements of their industry.

The Hawthorne study of favorable and unfavorable working conditions of monotony and of employee attitude and morale, begun in 1927 ,gave promise of major contributions to our knowledge of how to obtain the twin goals of productivity and worker satisfaction.

Early testing plans inadequate

These projects failed to achieve their promise partly because testing programs were recognized as being inadequate; partly because no one had developed a job analysis, job-specification and job-classification technique far enough to give a quantitative fact against which test scores could be validated; partly because an incredible depression set in and brought such promising studies as those of the Hawthorne plant to an end. Personnel workers were

dispensed with to join the bread lines, and the idea of matching men and jobs disappeared in a wave of disillusionment.

Then several significant things happened. The Occupational Research program in the U. S., initiated in 1935, gradually filled one gap—that of providing authoritative job descriptions, and for the first time the specifications of the men and women who could fill one or other of the great variety of jobs in industry could be studied.

Medicine became interested in industrial hygiene. Dr. Hill's work on industrial fatigue was an outstanding contribution and directed the attention of management to industrial diseases and medical welfare of employees.

The development of trade unionism, with the support of the Roosevelt regime in the U.S., and the less spectacular but steady growth of similar organizations in Canada, created a new set of conditions in industry. Public education, continued now for so many young men and women into high school, made them aware that they were no longer dependent upon a single employer, nor need to confine themselves to a single field of effort.

Social legislation, such as unemployment insurance, paid holidays, old age pensions increased the security of the workman. The public discussion of labor-management conflicts led to a narrowing of the prerogatives of management. Confused and troubled employers looked around for some pattern of organization to which the worries of labor relationships could be assigned.

The success of trade unionism and the rapid growth of social legislation at the end of the depression might well have re-established personnel management as a functional department or service division in big business, because with bigness came distance—distance from the policy maker to the operator, with its attendant difficulties of communication and leadership.

Brave new personnel world

But just about this time World War II developed and a great new period of personnel management began. The psychologists refurbished old tests and developed new ones, now directed specifically to select men for the specific jobs of the services, to allocate men to special training units, to guide in assignments to trade groups.

New interviewing techniques to discover and record the skills of persons and to ensure their transfer from department to department were established; counselling became an acceptable technique; extensive training programs were devised and introduced, not only in the services, but perhaps especially in industry, with a view to improving the efficiency of factories turning out supplies for the fight forces.

World War II also gave a further impetus to the speed of mechanization. The miracles of production achieved at that time could not have been obtained otherwise. It is estimated that the productivity per man has increased over 40 per cent since 1939. Under pressure of the rising labor costs, we have cut out the drudgery of labor; the carrying and moving and lifting are now being done by machines; the value of plant and equipment per worker now stands at more than 10 times that of the worker of 1900.

But if it is to cost about $10,000 to give an average worker a job today, then it is the duty of management to get an adequate return on this invest-

ment—to organize and manage so that the worker produces enough to pay for this investment. The duty of providing motivation to use a machine productively now became a major managerial problem.

Survival points for personnel

I have reminded you of these developments to provide a common background on which I want to base two generalizations and to consider the survival value of your profession.

Within the last 40 years management has had to face up to a group of problems with which it had little concern in the early days of this century, or even 25 years ago. Let me remind you, by the use of a few phrases only, the extent of those changes—trade unions; collective bargaining; grievance procedures; working conditions; human relations; selection; training; job analysis; job evaluation; counselling; communication; morale and attitude surveys; safety; productivity; fringe benefits; social legislation; social welfare.

Each one of these phrases will carry a wealth of association to each of you. To each of you, perhaps, these words will carry some different connotations, but you will recognize all of them as part and parcel of the problems of modern management in every business, large or small, public or private. We have come a long way from the days of the phrenologist, and even from the days of the early industrial psychologist with his easy assumptions that testing would provide the answers to the industrialist.

These jobs have been grouped together by management, in greater or less degree, under one officer—the personnel manager.

Within one generation, and practically within a decade, business has placed responsibility for a very large and complex set of functions in the hands of one man, or a few men, for a set of duties more complicated than those of any other single department—sales, finance or production; functions which are of very great significance to every employee and to the public at large as well as to the shareholders; tasks in which as we have seen there is very little scientific evidence to guide the practitioners—which will alter in character and goals as social values change; functions for which few men have been specially trained.

Jobs should be defined

For your own professional security you must get much more agreement as to your job. Some of you treat it as a staff job, doing investigation work on behalf of your line executive, and acting as a line advisor. Some of your managements use you as a convenient device to treat with restless labor; others expect you to handle only the misfits and act as clinicians; other presidents judge you by your competence in picking out the right secretary for themselves.

Some of you emphasize the techniques only—job analysis, job evaluations, interviews, training programs, safety devices. Some of you are consulted on wage plans; some are not. Others of you tend to be more concerned with sociological factors such as employee attitudes and environmental conditions.

There is too much divergence of opinion and practice among you, and you are weakening your chances of survival by this divergence. Presidents do talk to each other about their organizations, and wide disparity in points of view will arouse suspicion that some of you are on the make, or that others are failing to carry out their full job.

Don't expect the senior executive to tell you what your departments should be doing. He expects you to explain to him why you need to be associated with, if not responsible for, the list of functions you conceive to be "personnel management". Your association should give leadership in this definition of role and function.

Your generation will have to pull itself up by the bootstraps, but simultaneously you must lay the foundations for a professional body by your practices. Universities can give you some help, but not enough. You will need to define a standard of knowledge and competency in your techniques, and should plan to move into a certification. You will need background training in economics, law, psychology, collective bargaining, unionism, statistics, industrial engineering (work measurement and incentives), sociology, mental hygiene, and so on.

I hope that your association is taking steps to build up a professional standard of work among its members; nothing less than a professional code of ethics will suffice in the years ahead. It is to be hoped that universities will develop a program that assists you. The tendency today is to create a lot of independent associations dealing with separate phases of personnel work. The motives may be laudable, but it is not an answer to the need.

On-the-job training best

I am not interested in training undergraduates to go out as personnel workers; I do not believe that such a step is wise. I do believe in giving them a grounding in the basic social sciences, but I want them to do their professional training while employed on the job.

You will have to become clear as to your philosophy of industrial living. You will have to accept the dualism of industry as directed both to profit making and to worker satisfaction; you will have to feel happy with large-scale production, for that is the pattern which maintains our standard of living; you will need to believe that it is part of your job to find compensations for the worker for the gap and distance created by big business organizations. If you don't accept these points as a philosophy of living, you will find yourself unhappy, frustrated, and annoyed, and you will find your job intolerable.

You believe, I am sure, that individuals differ profoundly in the physical and intellectual abilities. You believe that persons will do a particular job better than others. Do you believe that a person who does one job poorly may do another job well? This is equivalent to asking whether you believe in transfer or only in release? Do you believe in adjusting people by induction and training to jobs. Do you believe equally in adjusting jobs to people?

Your stand on unions

Have you thought out your attitude to unionism? Do you accept unions as permanent as well as legal, or only as temporary? Do you find that they have a positive value to you in that they provide for reviews of wages and hours at fixed periods, instead of any old time; in that they provide a grievance procedure; in that they reduce unfair competition, or do you wish to go back to pre-union days? Do you believe that dictatorial unions are no better and no worse than dictatorial employers?

I believe they are. I believe that every dictatorial stubborn boss who refuses to give reasons for his actions, on the grounds that it is his business and his alone, increases the suspicion of labor and becomes a good recruiting agent for unions. I believe equally that unscruplous labor leaders are one reason that there is such a real amount of loyalty to a firm in spite of all the financial gains unions have obtained for them.

Do you believe that your job is the most important one in the organization? Would you subscribe to this statement "In the past the problem of management was largely conceived as the choice, position and maintenance of machines; in the days ahead it is mostly a matter of the choice, placement, maintenance ond motivation of our labor force"? Do you believe that employees should have a voice in setting the standards of discipline within the individual company? A group of the members of the British Institute of Industrial Administration do and said so in their 1944 report.

Do you believe that a sound job-evaluation procedure is a necessary condition for a fair wage scale? A large steel union in the U. S. accepted it under protest during the war, but will not allow it to be given up. These questions are not basically problems of techniques; primarily they are questions of your social outlook. If you accept them, then techniques will become available.

Flexibility of attitudes necessary

Personnel managers must be prepared to discard old beliefs and traditions. When wages were very low, the prospect of more wages by overtime or by harder work was an incentive. Today, with all wage levels above the costs of subsistence and generally rising, money is not an adequate incentive and other appeals must be devised and sold to management.

You will have to work out for yourselves your social philosophy in terms of these practical questions. We are going through such a revolution in our philosophy of labor-management relationships, one so charged with high emotion, one so colored by misrepresentation and strife, that it is difficult to know the truth. But each member of the profession must develop and mature his own philosophy or outlook or he will find himself overwhelmed by the clash and conflict of ideas.

"The test of success of any personnel program is the degree of acceptance and application by the line organization".

I have referred to your extensive battery of techniques, and have noted the need for the formulation of a philosophy and a professional code. But it still remains true that you have to do your work and achieve your goals through supervisors, foremen and department managers.

This is one of your major problems in operation. It is also one of the conditions of survival. In the small firm the foreman or an employment clerk under the superintendent does a lot of the selection, hiring, transfer and dismissal. When the depression struck us many firms released their personnel officers and went back to the old way. It was a poor way, but we must ask whether this could happen again. It is less likely because of the increasing complexity of the task, but I know some firms which had personnel managers at the end of the war which have divided the job between various officers, and are carrying on without a professional service officer.

Safeguards against loss of responsibility

The safeguards against a recurrence of this development lie in part, I think, in some of the following measures:

Keep your department responsible, organization-wise to the President or a Senior Vice-President; to a senior officer who will have learned through experience just how important your work is to the health and welfare of the company.

Decentralize and do not try to build an empire. The functions you have taken on were in large part carried by line officers who still feel—because of the brief time since they had these functions—that they have lost some of their authority and prestige. As far as they are concerned, use them as much as you safely can.

Final selections of personnel should be their function; transfers, promotions, demotions, discipline should be shared with them. Tell them what you are doing, and encourage them to come to you for help. The foreman is the forgotten man in industry today; your work as a morale builder pays better dividends here than anywhere else.

I strongly urge that you give your major attention to the sergeants of industry, and that not merely to benefit the supervisor. He can undermine your work and destroy it with top management and with labor alike. His cooperation is a real "condition of survival" for the personnel department.

A recent study of the conditions prevailing in firms which were free of strikes showed that in such plants the opinions of the employees were that management was honest, cooperative, friendly; where the supervisors were concerned with morale as well as production; where there was free and regular communication. The foreman is the management to these workers, and you should take time to reach agreement with him on both your philosophy and your techniques.

More personnel research needed

One of the most disturbing features of personnel work is the small amount of research work being carried out by, or on behalf of, the professional group. I do not mean academic research, but the development and practical evaluation of methods.

Pfiffner reports that a few large companies have re-established or started personnel research in job analysis, records, job evaluation, the evaluation of counselling techniques, employee rating, training techniques and so on, but few medium size firms in Canada are spending time or money in this way. I

commend to your association the policy of an investigation and evaluation of techniques being used in one of the areas I have named.

No profession can survive long on tradition or dogma today. It must constantly be reviewing its practices, revising its procedures and publishing its findings for others to test.

In the process of trail blazing, you are taking on responsibility for proving and improving your tools. If you fail to do so you will at most hold an established front; you are more likely to be forced to withdraw.

Another condition of survival — does your work pay? We have suggested that you should define the functions you take care of, and define your procedure and relationships with line officers. How many of you can prove to management that your work is earning or saving more than it costs?

I believe that the average costs of a Personnel Department carrying out the functions I have mentioned are $50 to $60 per employee per year. It is perfectly legitimate and proper that you should be required to meet the same tests of profitability as the line departments and as other service divisions, such as purchasing. You cannot justify the expense noted, and would not wish to, on the basis of being a welfare agent.

I suggest that you have your accountant draw a realistic budget of your expenditures, defining the functions you carry out and the basic costs of each function, e.g., employment, personnel records, training, labor relations, safety, medical and first aid.

Assessment of value of personnel

Against this expenditure you must establish your contribution to the firm. Let me suggest some and try to attach a dollar tag:

(1) Reduction of labor turnover. It costs from $50 to $1,000 to replace a man. If you establish "costs per grade" and succeed in reducing turnover by any device whatever — transfer, training or what not — you can claim a credit against your costs.

(2) Absenteeism cost — is this being reduced?

(3) Accident cost — is this being reduced?

(4) Sickness cost — is this being reduced?

(5) Shortened training period, i.e., period to full productivity?

(6) Reduction of lost time in grievance procedures?

(7) Reduction of waste and substandard work?

(8) Lost time in strikes?

(9) Promotability of staff?

(10) Discipline. Can you claim fewer or less serious infractions of regulations?

(11) Increase in persons seeking employment with your firm because of its good reputation?

(12) Co-operation beyond the call of duty on the part of employees?

If you take sufficient time and get the co-operation of your supervisors, you may discover and get credit for a very direct contribution to productivity. No one is more conscious than you are that the installation of a new, faster machine may result in nothing more than an increase in the fixed assets and allowed depreciation.

A case study in employee and public relations by B. F. Goodrich

Operation Transfer - The Big Switch

by Morris C. Hay,

Director, Employee Relations,
B. F. Goodrich Rubber Company of Canada, Limited

The problem: to tell 400 employees their jobs no longer exist, yet maintain excellent employee and public relations.

The solution: telling the story factually, positively and concisely without color or drama, with the simple truth as a theme, using logic and common sense.

Behind this briefly stated problem and solution lies a story which has already earned a lasting reputation as "a job well done" in the annals of Canadian business. It is a story that is worth telling because the success of the situation was achieved by an ordinary group of Canadian executives without benefit of outside advice or previous experience in a similar problem.

Tagging such a project with a name is difficult, but we will refer to this particular story as "Operation Transfer".

Late in 1953, our company found itself with a problem. We have long been one of the leading manufacturers of rubber footwear in Canada. Our shoe products have enjoyed a healthy reputation and are backed by a lively sales organization. Advertising and promotion have built an established product demand. However, the problems of increasing productivity and maintaining competitive manufacturing costs had become acute, especially in recent years.

The labor cost on our shoes had taken the lion's share of our production costs. These high costs were not allowing our management to make a satisfactory return to our investors and at the same time were forcing us to sacrifice our highly competitive position in the rubber footwear industry. This whole situation was aggravated by the fact that our principal competition came from companies which were located in the low wage area of the province of Quebec.

Decision to lower wage costs

This entire situation, which eventually resolved into a determination to lower our wage costs of production, was brought before the union executive committee by our management. All employees in the footwear division were advised of the problem as early as July, 1951. However, the labor costs of our footwear production remained far above competition. Our company management was forced to make a decision.

Four possible courses of action were open for consideration:

(1) Increase productivity and reduce wage levels to those of competition. Efforts to reduce the wage factor in the past had not been successful.

(2) Discontinue the manufacture of B. F. Goodrich footwear and sacrifice a reputation for an established product. This "solution" was never seriously considered, as it implied a lack of faith in Canada's future prosperity, a thought that is directly opposed to company philosophy.

(3) Build a footwear manufacturing plant in an area where wages were in line with competition. This would mean that valuable capital would be tied up for many years.

(4) Arrange with another company to manufacture our footwear to our specifications. This would realize competitive costs, plus a continuing and controlled supply.

Following full management discussion of the problem, it was decided to proceed with solution number three, entering into a manufacturing agreement with another company to produce footwear to our designs, specifications and technical knowledge. We sincerely believe that this decision serves the collective interests of B. F. Goodrich, our employees, our investors and the future potential for growth of the company. It also serves the best interests of the consuming public, which is, of course, the final judge of all our actions.

If this situation happened in your industrial life, would the decision have been the same?

When the decision became final, thought turned to the practical aspects of implementing the move. First and foremost was necessity for keeping all courses of action confidential as until the appropriate time. The planning involved as few people as possible, yet it was widespread enough to take in all aspects of the situation.

The problem of telling 400 employees they were out of work, and yet retaining their goodwill and respect along with the understanding of the community, was difficult indeed. It was the unanimous decision of management that the story should be presented in as fair and logical manner as possible. There was to be no coloring or "slant", no sugar coating, and above all, there had to be consistent respect for the dignity of the individual . . . our employees.

Entire management group involved

"Operation Transfer" necessarily involved the entire management group of the B. F. Goodrich, with the detailed planning left in the hands of the Employee Relations department. The Personnel Manager, Bruce M. Broad, gave valuable advice on dealing with the problem as it affected the employee. The advertising department and the public relations department were alerted. Their participation in carrying out the decision of management was whole hearted and complete. At each stage of the planning, every possible effort was made to interpret the decision in terms which would have a favorable effect on the employees and the general public.

The announcement had to be made to the employees who were directly involved, the union executive, employees who were working in other divisions of the company, the sales organization and staff, and finally but certainly not

least, the community of Kitchener and Waterloo in which we work and operate.

The one thing we feared most was a flood of rumors, false assumptions and wrong interpretations. No grounds could be left for a rumor to originate.

We were now approaching the crucial stage of the planning. D-Day for "Operation Transfer" was fast approaching and the vital need for close timing entered every stage of the planning.

Letters to employees were drafted and approved. These were printed in the utmost secrecy. The letters contained full details of the announcement and were designed for specific audiences.

Advertising Manager H. T. Leiskau arranged for a full-page advertisement in the Kitchener-Waterloo Record. In the interests of secrecy, the advertisement was prepared completely outside the company and held until the absolute newspaper deadline. Press releases were prepared by Public Relations Manager Trevor L. Jones. After approval of all concerned, these were also kept in a safe place, away from any employee contact.

A thoroughly complete timetable was drawn up and followed rigidly. This timetable did not deal in mere hours, it was based on an exact minute-by-minute schedule. Friday, December 4, 1953, was designated as D-Day for "Operation Transfer".

A special meeting of the company Operations Council was called for Thursday, December 3. Mr. Broad went over the schedule and the planning with a fine-tooth comb and cleaned up the many details which develop in such a program. The whole problem of gearing the many angles of the situation to one final outcome was efficiently handled by the Employee Relations Department. Finally, we were ready.

President outlines entire procedure

President Ira G. Needles completely explained the problem to the Operations Council of the company at the luncheon on Thursday, December 3. Mr. Needles outlined the entire procedure and left no room for doubt as to the throughness of the planning. This briefing was the final one for members of the management team. Mr. Needles' concluding comments emphasized the point that this was a progressive step for B. F. Goodrich. The progress of the footwear division was at a crucial point and the decision reached was designed in the best interests of employees, stockholders and the general public.

Footwear General Manager A. J. Minister prepared a letter to his salesmen, outlining the complete problem, decision and solution. These letters were sent by registered mail to the salesmen at their homes. Mr. Minister also prepared and sent out letters to dealers, advising them of the change and emphasizing the progressive step of the footwear organization.

The Canadian Press and British United Press were advised that a story from B. F. Goodrich would break the next day. The Kitchener-Waterloo Record editorial staff was alerted. The advertising department delivered the copy for the full-page advertisement to the newspaper and made full arrangements to prevent any premature "break" on the story.

The employee relations department mailed letters to all company employees. These were designed to reach the homes of employees by noon

Friday, December 4. The press releases were mailed to newspapers and trade magazines, marked for release on Friday. A radio release was sent to the local radio station with release time as 2 p.m. Friday.

D-day for "Operation Transfer"

The events which took place on D-Day were governed entirely by a rigid time schedule. We know now the success of this precaution and I cannot emphasize its importance too much. The actual announcement, its method of operation, and the subsequent effect on employees and the community, rested largely with the close timing and accurate follow-up. To detail the events of D-Day, I am going to condense the actual timetable which was followed by every member of the management team.

Friday, December 4, 1953.

8.35 a.m. Vice-President J. M. Robbins (Manufacturing) assembled production and department managers. They were told the story in the same terms as the company management. "This decision is proof that we are not going to remain stagnant or lose ground to our competitors. True, we will employ fewer people, but those who remain will have more job security. We are building a stronger, more aggressive B. F. Goodrich."

8.35 a.m. President Ira G. Needles and I informed management in the head office. The program of announcements was fully explained and questions were answered.

9.00 a.m. Plant foremen were informed by their respective production managers. Full precaution was taken to assure employees in other divisions that terms of the union contract prevented them from being "bumped" from their jobs.

9.15 a.m. The union executive committee was informed by Vice-President Robbins. He said, "This move will serve as a reminder to all of us that we must constantly strive to produce more and better products at lower cost".

9.45 a.m. Vice-President Robbins assembled the workers of the Footwear Division and explained the situation in detail.

10.10 a.m. President Ira G. Needles commenced calling Kitchener community and industrial leaders to explain the forthcoming public announcement. Mr. Needles spent the entire day at this task.

12 noon Employees arriving home for lunch found in a letter from the company further details of all phases of the announcement. Purpose of the letter was to make sure that the correct story was placed before the workers' families. Different letters were sent to employees in different divisions. The letters to the footwear people were necessarily more detailed than the letters to the other divisions; the footwear people would lose their jobs.

1.20 p.m. The first edition of the Kitchener-Waterloo Record carried the story to the general public. The edition contained the news story exactly as it had been prepared by the Public Relations department in addition to the full page advertisement (designed as "An Open Letter to the Citizens of Kitchener-Waterloo") which ran over the signature of President Needles.

1.40 p.m. Canadian Press and British United Press Wire services carried the story of newspapers across Canada.

2.00 p.m. The local radio station (CKCR) carried the item as the major news of the day. Again, the company-prepared release was used without change.

5.00 p.m. By this time, all the footwear field sales organization had received letters outlining the move. Footwear dealers had also received copies of Mr. Minister's letter.

Careful planning prevents hitches

The entire schedule of announcements for D-Day was carried out without a single hitch. We must admit that this may have been largely luck but we also feel that it would not have been possible if it were not for careful planning beforehand.

Nearly six months have passed since Operation Transfer was completed. We are in a definite position to analyze all results of the situation . . . employee relations, public relations and the effect on the dealer organization. We can safely say this . . . "As a result of the move we have not only maintained our position in the footwear industry, but our employee and public relations continued on the same high plane.

The moral is . . . tell the truth, present the facts without color . . . and above all, respect the human dignity of your workers.

Data on 1954 Monthly Salaries for University Graduates

by National Employment Service

Branch	Average	Median	Low	High
Agriculture	$253.00	$250.00	$200.00	$320.00
Architecture	291.00	285.00	250.00	350.00
Arts	235.00	250.00	150.00	350.00
Chemistry	282.00	260.00	200.00	420.00
Commerce				
To article for CA	154.00	150.00	125.00	185.00
Others	256.00	260.00	200.00	360.00
Dentistry	406.00	400.00	350.00	500.00
Education (annual salary)	2653.00	2800.00	2400.00	3200.00
Forestry	290.00	300.00	250.00	325.00
Geology	328.00	325.00	250.00	375.00
Home Economics	208.00	200.00	175.00	250.00
Law	258.00	250.00	200.00	275.00
Library Science	230.00	230.00	225.00	250.00
Medicine (as Internes)	153.00	150.00	100.00	225.00
Medicine (as Doctors)	421.00	400.00	375.00	535.00
Nursing	233.00	230.00	160.00	275.00
Pharmacy	311.00	310.00	250.00	500.00
Physics	316.00	325.00	250.00	436.00
Physical Education	226.00	215.00	200.00	300.00
Science, Miscellaneous	298.00	300.00	250.00	360.00
Social Work	264.00	260.00	225.00	350.00
Therapy	236.00	250.00	175.00	260.00
Veterinary Science	298.00	270.00	250.00	360.00

. . . HOW WE DO IT

A Supervisors' Development Program

by K. L. Perigoe

Planning Assistant, London Life Insurance Company

IN FEBRUARY, 1953, London Life began a program of development for supervisors. Until that time, no formal training of supervisors had been carried out. Supervisors were trained on the job through the day by day guidance of their superiors. By early June of 1954, the Supervisors' Department Program will have been presented to nine groups totalling 126 supervisors. The intention is to continue the program until all those who have supervisory duties in our company have had an opportunity to participate in it.

We make no claim to the originality of all the material used in the presentation of the course; much of it came from outside sources. Pamphlets available from the United States Government Printing Office, others obtained from the National Foreman's Institute and published supervisory tests are used. This material along with film strips and working forms which were prepared in our own office form the basis for our Supervisors' Development Program.

The course consists of eight weekly sessions each of which is about two hours duration. The participants usually number 14 and are a selected cross-section of the company's supervisory personnel of approximately equal level. This selection means that no one department is too heavily represented and participants have an opportunity to benefit from the experience and ideas of other supervisors doing different types of work.

The sessions are kept as informal as possible and free participation is urged in the controlled-discussion type of meeting. Stress is placed on what simplification means and how it offers staff members an opportunity to put across ideas which they have had in mind a long time.

The first three sessions are devoted to the tools of work simplification. The work distribution chart, process chart, and work count are discussed in considerable detail. The participants of the course are given short assignments to be completed and discussed throughout the program.

The fourth session and part of the fifth are utilized to explain how to spot training needs and to demonstrate how to instruct. After careful study of this material, two members of the group teach two other members of the group simple jobs which are being done in their own units. The teaching demonstrations are analyzed by the other members of the group and constructive criticism offered.

The balance of the program is devoted to human relations with actual problem cases submitted by members of the group being used as the basis of discussion.

In the first session, after appropriate introduction by a company official, the introduction to work simplification is given. Then the first tool (the

work distribution chart) is thoroughly explained. Film strips are used extensively as an aid in this presentation. Then, with the work distribution chart of a theoretical unit before them, the supervisors are led through the analysis procedure of spotting bottlenecks, examining those activities that take the most time, testing to see if the work is spread too thinly or if employees are doing too many unrelated tasks, checking to see if there is misdirected effort and determining if the proper use of skills is being made. For the next session, the participants are asked to have the staff members of their own units prepare work lists to show how they spend their time in an average week. These lists plus the activity list made by the supervisor are to be analysed and combined into a work distribution chart. Emphasis is placed on the desirability of the supervisor obtaining employee participation in the preparation of these working papers. The session is closed out by having the group write a supervisory test to determine where these strengths and weaknesses may lie.

The second session begins with a brief discussion of the results of the test given the previous session. The mark is kept confidential so no one need feel that his effort is being publicized. Following this, two members of the group are asked to present to the others their findings of their work distribution chart analysis. The session continues and the second tool of Work Simplification, the process chart, is considered. Once again film strips are used to assist our presentation of the material. The process chart is explained in quite complete detail.

The supervisors are told what it is, how to make one, and then perhaps most important, how to use the chart once it has been made. A brief exercise is given so that the members of the group may familiarize themselves with the symbols commonly used in process charting to designate operations, transportations, inspections, and storages.

A theoretical process is analyzed by the group and with the guidance of the discussion leader, changes and improvements are made in the routine. Thus the group learns how the application of the six key questions (who? what? why? when? where? and how?) to every step in the routine enables significant improvements to be made in the procedure.

Blank process chart forms are given to the supervisors and each is asked to come to the next session with a chart of one of the procedures in his unit. The supervisor is encouraged to analyze his chart and suggest improved steps in the procedure.

To begin the third session two members of the group are asked to present their process chart findings so that all may have an opportunity to see what has been achieved. Using film strips once again, an explanation is given of the third tool of work simplification, the work count. A pattern similar to that of the previous sessions is followed.

The discussion leader shows and explains what the work count is, how to make one, and what it can do for the supervisor. Discussion is stimulated by consideration of actual situations around our office by asking pointed questions of various participants in the program. The assignment for the next session is to do work counts at strategic locations in the units represented and come prepared to report significant points to the other group members.

...How We Do It

Session four begins with discussion of the assignment and review of the work count generally. Once this has been completed, the balance of the session is devoted to "Spotting Training Needs" and "How to Instruct." We emphasize the importance of training being done fully, completely, and in an acceptable manner. The shortcomings of the "telling method" and the "showing method" are illustrated and we then proceed to teach what we think to be a good sound method of instruction. Here are the four steps we urge the instructor to follow:

Prepare the worker; present the operation; try out performance; follow-up.

In this session we must be thorough because we are setting a pattern which we say will work every time. It is imperative that the members of the group know exactly what is expected.

The first half of the fifth session is spent reviewing the training work of the previous week. Two members of the group instruct two others in simple jobs which come unto their supervision. These further demonstrations of the four-step method of instructing are constructively criticized by fellow-members of the group. By this time, the participants have seen three careful demonstrations of the suggested teaching method and it is urged that the obvious advantages of this method be put to use on the job.

At this point we begin the human relations part of the program and in the introductory remarks an effort is made to give some indication of the tremendous scope of the topic. We discuss the responsibilities of the supervisor, show where he fits into the over-all direction of the company's activities and show how he gets results through working with people.

Naturally, in a field such as human relations, there are many points which could be stressed and almost endless discussion could take place. It is made quite definite at the outset that we are not prepared to give "pat" answers for the various problems which arise. Rather, it is intended that the supervisor be aware of the tremendous complexity of the human personality and to have an open mind when dealing with matters coming under this category. The supervisor must realize that a human is not a machine and that there is no such thing as a book of instructions to enable you to handle people.

The supervisor is urged to teach members of his staff to solve their own problems. Meanwhile, if the supervisor will apply some of his teachings to himself he may reduce the number of really "problem cases" he has to pass along to his superiors. Solving a problem is not as difficult if he takes the time to: get the facts, weigh and decide, take action, and follow-up.

Each participant of the program is asked to submit to the discussion leader (before the next session) two actual problem cases with which he has come in contact. These should be cases of which the supervisor knows all the facts and can make a complete report. It is vitally important that the personalities involved be kept anonymous but all other details should be true and accurate.

No one but the person submitting the problem case knows the persons affected. These problem cases form the basis of discussion for the balance of the program. The discussion leader reads aloud the details of the facts as set down on the the sheet before him, then asks the group for possible solutions.

When several theories have been advanced and the most appropriate action agreed upon, mention is made of the action taken by the supervisor of the unit and the group is asked to comment on that. We have found this case method to be an exceptionally satisfactory way of treating the subject of human relations—people seem to be more interested in discussing actual problems.

At the close of the final session one of the senior officers of the company addresses the assembled group. His comments are to the effect that management is 100 per cent behind the program and hopes that matters discussed in the program will form a good foundation for better supervision on the job.

"Hobso" Tells Management's Story

by Bruce M. Broad

Personnel Manager, the B. F. Goodrich Rubber Company

HILTON WILBY, Personnel Manager for The Steel Company of Canada Limited, Hamilton, recently told the Grand Valley Personnel Association how his company uses "Hobso". In an hour and a half, Mr. Wilby presented in an "appraisal form" the flannel board presentation of Hobso (How Our Business System Operates). Normally, the presentation of this material takes place over four different conferences each of one hour and a half duration and the conferences are held in the true conference method with the answers and ideas developed by the conference leader through the audience.

Using a large 6 x 4 foot flannel board, Mr. Wilby developed four progressive stories which relate to the subject under the topics of our Canadian business system, accomplishments of our system, the importance of competition, individual freedoms under our system. Normally, a fifth presentation would follow in which an outline of "our company" would be presented comparing its present stature and position in the industry with some prior date possibly 25 or 30 years earlier.

The idea of Hobso is to give employees a better understanding of our free enterprise system which has given us one of the highest standards of living and the greatest freedom of the individual in the world today. Through such a program employees should be in a better position to decide for themselves whether changes that may be proposed in the future are good or bad for our business system and for our Canadian way of life.

The Hobso idea apparently originated with the Du Pont organization in the U. S. several years ago and has been adapted quite effectively by The Steel Company in their economic education program. Ideally, such a program should be presented first to the senior management and then given successively to each level of supervision below and ending up with a complete presentation to all employees at all levels. Those who have seen Hobso agree that it is easy to understand and a very powerful weapon against the opinions of those who would try to undermine the fairness, soundness and progressiveness of our free enterprise system.

. . . How We Do It

So You Have to Make a Wage Survey

MODERN INDUSTRY must keep abreast of wages and fringe benefits paid in its community, and the providing of up-to-date information when required is one of the functions of a personnel department.

For those who have yet to make their first wage survey, the following series of questions developed by the Windsor and District Personnel Association will show the sort of information you might gather.

Name of company and of the person interviewed. Total number of hourly rated employees on payroll; Male? Female? Total.

Wage payment system Day work? Piece work? Do you have a guaranteed hourly rate for incentive workers? If so, how much? Do you pay for idle or standing time? If so, at what rate — base rate? Occupation or job rate or at average earnings?

Cost-of-living Bonus Amount to date? Point increase necessary for each one cent wage increase. Base points? Floor, if any? Adjusted on point rise only? Monthly, quarterly, half yearly or any other?

Minimum hiring rates and automatic increases Male? Female? Rate Range for laborers? First, second and third increase per hour? After three months? After six months? All from date of hiring.

Current Overall Plant Average (Total hours divided by money paid) Males — day work? Females — day work? Incentive (male — female)? Combined day work and incentive (males — females) per hour?

Amount of last general increase Date? Amount? COL adjustment? Contract Renewal? Mid term increase?

Hours worked Daily? Weekly? Number of Days Worked Weekly? Call in pay?

Overtime premium Is overtime paid daily hours? Weekly hours? Saturdays? Sunday? After how many?

Shift bonus Do you pay a shift bonus? How paid? Hourly What shifts?

Vacations One week after one year? Two weeks after three years? Percentage vacation after certain number of hours? Any other plan?

Statutory holidays Number paid for? Rate of pay if worked addition to holiday? Eligibility for paid statutory holidays — work last scheduled day before and first after the legal holiday? Do you pay for Statutory holidays which do not fall on a regular working day? Do you pay for Statutory holidays normally paid for, which come during an employee's vacation? One extra day (subject to above conditions)?

Group life insurance Eligibility after six months' service? Minimum amount (male or female). Maximum amount (male or female). Company pays? Cost to employer per hour? How long carried in case of sickness? Lay-off? Quit or discharge?

Non-occupational sickness and accident benefit insurance. Eligibility? Waiting Periods? Weekly amount? Number of weeks? Company pays employee? Dependents? Employees and Dependents? Cost to Employer per hour? How long carried in case of lay-off? Quit or Discharge?

Hospitalization plan Name of plan? Eligibility? Company pays employee? Dependents? Employees and dependents? Cost to employer per hour? How long carried in case of sickness? Lay-off? Quit or discharge?

Medical plan Name of plan? Eligibility? Company pays employee? Dependents? Employees and dependents? Cost to employer per hour? How long carried in case of sickness? Lay-off? Quit or discharge?

Rest periods and wash-up time Rest periods granted? How many? How long? Are piece workers paid for it? If so, how much?

Any other fringe or welfare benefits

Length of probationary time before acquiring seniority calendar days?

Length of reporting time after a lay-off. Do you have a job posting?

Employee representation Name of union? Date contract expires? Wage clause reopener?

Union security Any form? Union shop? Closed shop? Maintenance of membership? Check-off — voluntary revocable? Voluntary irrevocable? Compulsory check-off? How many union committeemen do you have? Time allowed for union business? Reasonable time with no loss of pay? To what union do your stationary engineers belong?

Do you have a pension plan?

Labatt's Helps Employees Make Wills

by Gordon H. Jack

John Labatt Limited, London, Ontario

A SIMPLE but effective service to employees has been provided by John Labatt Limited, London, Ontario for the past few years. It is a service which, to judge by the extent of participation, is appreciated by the employees and at the same time helps to save headaches for the Company.

Labatt's operate group insurance and pension plans which, in the event of death, provide sizeable benefits. A number of employees died without leaving wills and the company was inevitably called upon to guide and counsel widows and families in winding up the estate so that benefits from these plans might be paid over with a minimum of the delays and difficulties arising in cases of intestacy.

They hit upon the idea of persuading employees of the desirability of having a will drawn and of the disadvantages of dying without one. To help ensure that employees would follow through on the suggestion, the company decided to create a service which would make it easy for them to do so and provided a further incentive by defraying part of the cost.

An arrangement was made with a local law firm to draw employees' wills

and the company offered to pay half of the cost, the other half being paid by the employee through a payroll deduction when the will was executed.

The procedure was simple. All employees received a circular letter stressing the advantages and inviting them to take advantage of the service. A coupon attached to the letter requested the service and authorized the payroll deduction. These coupons were turned in to the Personnel Department who forwarded the names and addresses to the lawyers.

The employee then received a questionnaire from the lawyer asking for certain information. This was returned by the employee directly to the lawyer thus ensuring privacy. If the circumstances were not complicated as revealed by the questionnaire, the lawyer forthwith drew a simple will. If this was not possible, the employee was invited to call on the lawyer and discuss the matter in detail with him so a suitable will might be prepared.

As the wills were prepared, the lawyer attended at the plant for the purposes of having the wills executed and the original copy was given the employee or left with the lawyer, as the employee desired.

The response was gratifying as a majority of the employees took advantage of the service. It was then decided to make the service available for future employees as well. When an employee completes his six months probationary period, he receives a letter inviting him to avail himself of the service. Invariably the new employee will do so unless he already has a suitable will.

The plan has been in operation for six years. The company is satisfied that the appreciation of its employees and the time saved in having to advise next of kin in cases of intestacy has made the relatively small expense worthwhile.

Employment Picture for Students Bright

by National Employment Service

Employment prospects for the 11,000 graduates leaving Canadian universities this spring could be termed bright, according to Hon. Milton F. Gregg, V.C., Minister of Labour.

Mr. Gregg explained that starting salaries for graduates were slightly higher this year than in 1953. His statement was based on a study of openings and starting salaries conducted by the Executive and Professional Division of the National Employment Service. The study showed 5,000 openings for graduates and 13,000 for undergraduates early in June. These openings were those known to the National Employment Service and did not include many jobs which were filled by students hired direct by employers.

The Minister also stated that while it appeared that the vast majority of university graduates had found, or soon would find, suitable employment in their chosen professions, the prospects were not quite so good for full summer employment for the undergraduates. As an example, he cited the case of students who usually found summer employment in the construction industry. Many of these undergraduates would probably still find jobs in construction, but due to inclement weather conditions this spring which had retarded building, they would start work about a month later than usual.

Vending of all types of food and drinks is now recognized as a quicker, more efficient method

Feeding Industry by Machine

They've gone about as far as they can go in automation in the oil refinery business.

Two U.S. refineries that daily produce rivers of gasoline and petroleum products are entirely automatic, except for two men who sit in front of a panel of instruments and by switches direct the operation of the plant.

Automation is a new glamour word that is being increasingly heard in Canada and the United States, particularly among top industrial figures and among those engaged in union and personnel administration.

It may be defined as making more automatic than they are now, the many processes, machines or series of operations with resulting benefits of a better product—less scrap loss, greater productivity or efficiency. This leads to less effort from the worker—all factors which add up to lower costs.

It has been defined by Henry F. Dever, President of the Brown Instruments Division of Minneapolis-Honeywell Regulator Company, an authority in the field of automation.

Speaking recently on the subject "What Price Automation", he stated that upper levels of management must take hold of the idea of automation. Industrial engineers or consultants brought from outside must make sure that automation is used wherever it makes economic sense.

"Much in the way of improvement is available now," he said, "but more will certainly be available as the many kinds of equipment needed for automation are perfected."

Automation must either make possible some desirable result that could not be accomplished in any other way, or it must accomplish some task, now being performed by older methods, at a net saving.

If it won't do one or the other, or both, it will not be economically sound.

At the same time, it is often viewed as a threat to every plant except those not yet built.

Newly acquired techniques which will appear most readily in new plants put a greater-than-ever weight of obsolescence on older methods and plants. However, skilfully applied automation offers an avenue by which older plants can be modernized.

Despite great advances in recent years automation is still in its infancy in Canada as well as in the U.S. It is represented in this country, in an important manner, through the vending of drinks and foods. Many of the best-known names in Canadian industry are users of such vending machines.

At the outset industry was not easily persuaded to buy vending machines. One of the reasons was the notorious balkiness of the machines: the early "coke" dispensers seemed to be more often "on the fritz" than on the job.

The coffee break opened the breach

The custom of having a coffee break was not unknown before the Second World War but it could hardly be described as a general practice.

After the war, what had become a habit developed into a custom. Industry and employers began to realize that the custom must be recognized.

Yet many employers viewed the new development with a jaundiced eye. They found that the "break" paid dividends in efficiency and human relationships, but the question of how best to handle the coffee urge caused many an anxious moment. Coffee breaks were costly and anything that could be done to speed up the refreshment period was considered.

Canteen Services Limited, which does a large amount of industrial food vending in Canada, points out that the progress of automatic coffee vending has had a marked trend on the part of industry to decentralize its refreshment facilities and reduce its coffee break time losses.

Through use of coffee vending machines the travel of employees to cafeterias and canteens on rest-period is being eliminated.

In scores of plants, Canteen Services' vending machines have proved capable of doing this job with greater efficiency than wagon services or runner systems.

Coffee-Mat Services, Ltd., Toronto, have calculated the value of saving five minutes from a 15-minute coffee break, based on a rate of $1.50 per hour, as $4,688.50 per year in a plant employing 150 employees. A survey made approximately a year ago by the Toronto Chapter of the National Office Management Association showed that of 120 leading companies in the area, 97 allowed rest periods in the morning and 83 in the afternoon.

Management must allow breaks

In its final analysis management actually has little choice in the matter of break periods. Industrial psychologists point out that some form of rest is taken by every worker whether there is a formally planned recess or not.

One thing which seriously retarded the progress of vending machines in industry was the hesitancy of management to allow an employee free access to a source of refreshment, regardless of how conveniently located the source might be.

The principle is now generally accepted that the net time losses are less when the workers are allowed refreshment than when forced to channel their refreshment activities into restricted break-periods.

R. M. Hardie, Manager of the Works Services & Employee and Community Relations, Canadian General Electric Company Limited, Peterborough, reports that his company has decided to install a vending machine system. He states, "that this new type of food vending should be a supplement to, not a substitute for, our cafeteria service. Purely from a point of view of employee relations, we feel that the provision of hot meals is a necessary function in a plant the size of ours. We decided, however, that the automatic vending machines could completely take over the between-meals feeding jobs."

Automation not a Panacea

He pointed out that there were several advantages to automatic vending machines that might not be applicable to industry in general.

There was a problem in the form of glass due to broken milk bottles and soft drink bottles. The installation of machines vending drinks in paper containers was the solution.

Most of the workers being on a piece rate basis are not found loitering around the machines. Obviously if such a problem did occur a word of warning to offenders would be reasonably effective.

Faced with three-shift operations the availability of the food provided by automatic machines is an important consideration.

Why industry installs automatics

There are over-all advantages which apply to industry in general which are reflected in better employer-employee relationships. Compared to the former push-cart system, automatic vending machines provide a better quality product. Not only are milk and soft drinks constantly refrigerated, but coffee is continuously hot. Sandwiches are vended from refrigerated machines which make possible the use of lettuce.

Milk cartons are more sanitary than milk bottles. The water going through the soft drink and coffee machines is filtered before it is dispensed. Sandwiches, doughnuts and pastries are all individually wrapped by the supplier. There is no increase in prices since labor costs are kept at a minimum by the use of the machines.

Employees have a choice of black coffee, coffee with sugar, coffee with cream and coffee with both cream and sugar. Three selections of soft drinks, plain or chocolate milk, five selections of cigarettes, three choices of cigarette "makings" and cigarette papers, five selections of chocolate bars, five types of gum, peanuts and mixed nuts, doughnuts, pie, turnovers, and tarts, four or five choices of sandwiches and a coin changer to provide the inevitable nickels.

Careful study to attain a balance between the investment involved in the machines by the company operating them, and the desire of the industry to have a maximum number easily accessible to employees.

Canadian General Electric and Eroica Industries, the company servicing the machines, arrived at a figure of one complete bank of machines for every 220 employees which are now set up in 21 separate stations.

Fruit dispensing growing in popularity

The automatic vending of food in the United States already covers a wide field. A portent of what personnel administrators may expect is the humming fruit business at military posts in the United States. Not many months ago it was virtually impossible to buy a piece of fruit at Camp Kilmer, N.J. Now well over $2,000 worth of fruit is sold at that camp weekly—all through merchandising machines. Similar machines have already made their appearance in Canada.

Many large American plants are finding it easier to serve fruit by machine rather than over the counter.

Automation has already hit American railways in their continuing battle to lessen the losses they suffer in feeding their customers. This, too, should be a matter of great interest to Canadian railways which, despite the closest checks, lose tremendous sums on their diners.

In Chicago, public school students drank more than double their usual quota of milk when that product was available to them through vending machines. At the same time, consumption of cold carbonated beverages nearly doubled.

A number of Chicago schools had vending machines installed in their lunchrooms which resulted in improved lunchroom operation from the standpoint of convenience, appearance and sales. In addition, there was a substantial saving in cost.

Automation is also spreading to parking lots. Automatic parking lot facilities are now in operation in Chicago. A coin-in-slot machine lifts a barrier and allows the motorist to enter.

Either coins or a special, plastic-coated card open the entrance and exit through railroad-type barriers. The card's composition is changed monthly and the mechanism accordingly works only on a current card. No attendants are required. It's a cash-in-advance proposition.

Economic limitations of vending machines

What is its future in Canadian industry? Is the day coming when every factory and office will have its banks of vending machines serving everything from coffee to chewing gum?

"Such grandiose talk is ridiculous," says Keith Copping, president of Canteen Services, pointing out that it often stems from those who do not understand the practical and economic limitations to vending in the industrial field.

"Our own experience is that the demand for vending in industry is still centred primarily on coffee and soft drink services and is likely to continue so well into the future." He does take cognizance of the fact that automatic vending of both foods and beverages is being found practical in some plant cafeterias, but mainly as a supplement to the regular modes of cafeteria.

Mr. Hardie of C.G.E. also notes that there are disadvantages to this system of food servicing. Loitering and wandering in the plant are just two instances, he states. Breakdown of machines is another.

But, he points out, these disadvantages are to be expected in any system and he feels the advantages outweigh them.

McGill Meet on Industrial Relations

Foremen loosing prestige to union representatives? Clinic studies contemporary relations.

by Marian Bossen

Secretary Industrial Relations Centre, McGill University

THE SIXTH Annual Industrial Relations Centre, McGill University was held at Montreal on April 21 and 22, 1954. The conference was attended by about 200 delegates from firms established in the Province of Quebec, Ontario, Manitoba, and Newfoundland, from the Federal and Provincial Labour Departments, national and international unions, trade organizations, and universities. As in previous years the conference was under the direction of Prof. H. D. Woods.

The general topic was "Personnel Administration and Industrial Relations", around which the following speakers centered their papers: Dr. Robert L. Kahn, University of Michigan, "Leadership Patterns and Organizational Effectiveness"; Dr. Ross Stagner, University of Illinois, "The Importance of Attitudes in Industrial Relations"; Prof. E. Kierans, Director School of Commerce McGill University, "Full Employment Stresses"; George W. Brooks, International Brotherhood of Pulp, Sulphite and Paper Mill Workers, "Opportunities and Limitations of Collective Bargaining"; Dr. Neil W. Chamberlain, Yale University, "Industrial Relations and Personnel Administration".

In the pattern which emerged from these papers and the discussions — including a final panel discussion under the chairmanship of H. J. Clawson of The Steel Company of Canada Ltd. with the speakers as panel members — we detect as central motif the well-known trio; worker, foreman and steward. The papers delivered by the various speakers afforded a close range view of these functionaries without neglecting their relation to the overall structure of union-management relations. The accent, however, was on the individual who tends to be a neglected constituent of the collectivity governed by the bargaining process.

Getting Consent of Governed

Mr. Brooks defined collective bargaining as the process of getting the consent of the governed to the terms of government. The most important aspect of this process he considered to be the fact that the collective bargaining process creates a new society of law and order in which the governed can maintain their self-respect because they themselves have a voice in determining the structure of this society.

The speaker saw, however, some regrettable developments which are threatening this democratic aspect of collective bargaining. Collective

bargaining is beset by bureaucratic developments both in the union and on the side of management, and this development is continuing owing to the growing size of the industrial unit and the tendency towards multiplant bargaining.

This trend is matched by the decline in authority and prestige of the foreman. The worker's role in collective bargaining is diminishing. Union representatives and industrial relations officers are the axis round which the process revolves. Because of this, in many cases collective bargaining tends to become a manipulated process.

Mr. Brooks emphasized the need in the political and economic structure of our society for everyone to take part in the settlement of his own affairs, and the importance of making the issues clear to everyone concerned, instead of drowning them in a flood of incomprehensible pseudo-scientific terms. This latter tendency can be found in the introduction of what are called scientific methods into personnel administration.

The Plight of the Foreman

The plight of the foreman as a consequence of administrative developments in collective bargaining was brought out by Dr. Chamberlain. This functionary, in some situations seems to find himself in the unenviable position of being squeezed between the pressures of management and union aims in their mutual accommodation process on higher levels. The grievance procedure, in some cases, has undermined his position; namely, when he may not take decisions in initial appeal, but has to refer the case to the personnel department.

Collective bargaining has made it difficult for the foreman to control his men, for now he has to deal with a collectivity, while formerly he dealt with individuals and could exercise his power without meeting the obstacles which the agreement has put in his way. Uncertainty about the interpretation of the agreement and his own responsibility has often led to a policy of appeasement in order to avoid a contest of power in which he risks losing face. Thus, consultation with the union steward may be a form of appeasement, by which the foreman surrenders his authority to another leader.

The speaker advocated the use of the grievance procedure as an administrative tool, towards which the foreman's training should be directed, but warned that such training is only of value if the foreman has an area of discretion. The foreman, in order to be successful, must have a bargaining relationship with his workers. He must have the power of rewarding and punishing. Gratitude and displeasure are insufficienet bargaining items. Abuse of this bargaining power would quickly be checked by the grievance procedure.

An Interesting Research Project

Dr. Kahn, also concerned principally with foreman and steward, recounted very interesting results of a research project which had taken place in two periods with an interval of several years. The findings threw light on the personality structure of the workers who had become foremen or shop-stewards. The foremen were very largely management oriented and the shop-stewards completely loyal to the union.

In the earlier research period, when both categories belonged to the rank-and-file, both had the same attitude towards management and union. They showed criticism of both, dissatisfaction with their job and surroundings. They were equally intelligent and their education was equivalent. Further they had in common an informal leadership role in the shop.

The changed attitude after the promotion showed that these men were eager to take any chance for betterment that presented itself. They were not prejudiced against either management or union. their hostile attitudes had changed to one of loyalty and co-operation when their aspirations for leadership, responsibility and prestige had been fulfilled. Their earlier interest had been in personal upward mobility rather than in the company or union as such.

Explorations in the Field of Attitudes

Dr. Stagner dwelt at length on the results of quantitative explorations in the field of "attitude" as an important variable in labor relations, executed by the Institute of Labor and Industrial Relations at the University of Illinois.

Modern psychology usese the term "attitude" as a readiness to act in a favorable or unfavorable manner toward some object or situation. It can also be defined in perceptual terms as a readiness to see things in a certain way. In industrial relations, attitude designates the pattern of perceptions and evaluations held by parties toward each other.

Each organization is characterized by an attitudinal climate, which Dr. Stagner defined as the mean proportion of pleasant-cooperative to unpleasant-negative reports by persons at various levels within the power heirarchy of modern business. In the studies done in this field a method of standardized interviews was used. The speaker described this method in detail, its difficulties and limitations.

The findings suggest that within single companies attitudinal climate is closely related to job satisfaction. Those workers who are best satisfied with their jobs tend to have more good things to say about the union; those workers who gripe most about management also have complaints about the union. Dual loyalty seems psychologically not disturbing to the worker.

It was found that management's attitude towards the union is a crucial element. Where the rank-and-file attitude is bad, the overall union-management picture looks bad.

All attitudes have at least two components: motive and perception. Attitudes develop in labour management relationships because executives, workers, and union officers have motives they are trying to satisfy — more prestige, certain ways of looking at situations, which they think will help them to satisfy these motives. If the attitudes developed as a result of such interactions are favorable, cooperation is easier. Hostile attitudes make cooperation virtually impossible.

It is not easy to change attitudes. The intention only does not make it possible. However we can try to bring about a change in attitude by making an appeal to the motives a person possesses, and offering rewards for a change

in attitude — money, prestige, promotion, praise, security. A negative approach — fear-arousing devices — does not produce desired effects. It makes people cling to their attitudes and defend them.

Participation Improves Attitudes

Another approach is to try to change perception. One way of modifying percepts is giving more information — on production problems, financial circumstances, policy. A way of changing attitudes which has proved highly successful is through participation. If two groups work together on a joint problem, common ground is reached, mutual perceptions are established, and attitudes improve.

This plea for participation as a means for improving attitudes supports Mr. Brook's point regarding workers' participation in determining the terms of the government, the essence of collective bargaining. As far as understanding motives is concerned, Mr. Brooks strongly opposed the tendency of management to invade the private lives of their employees, which tendency runs parallel with the growth of an industrial relations bureaucracy.

Professionals are Introducing Rigidities

Professor Eric Kierans, in the dinner address, turned his attention to the problem of economic mobility in relation to both the capital and labor markets. He argued that the emergence of professional management in industry and professional union leaders was introducing rigidities in business practice and leading to a serious distortion of both investment and employment patterns. On the business side the assumption of the entrepreneurial investment role by managers, with the experience bias of a particular industry, and supported by control over large undistributed surpluses, tends to produce excess capacity in established industry, and unemployment of resources, including manpower. Professor Kierans looked to a revitalized capital market, altered tax policies and the wider distribution of dividends as the means of reducing the misdirection of capital.

On the labor side his plea was equally strong for a return to faith in market freedom. While recognizing the inability of labor markets to provide socially acceptable results, he also cautioned against institutionally imposed rigidities. Large unions and large management in collective bargaining may impose limitations on both production and on the constant reallocation of resources so necessary for efficiency in the economy.

This conference brought together speakers and audience with different attitudes — different ways of seeing things. The "attitudinal climate" was favorable for exchanging views and experiences. Some perceptions may have been changed, others attacked or confirmed, but the total pattern of ideas, the major lines of which have been reproduced above, will no doubt have stimulated more vigourous thinking on certain aspects of personnel administration and industrial relations which tend to be overlooked or taken too much for granted.

The Industrial Relations Centre of McGill University is preparing publication of the entire proceedings of the conference, to be available in June.

Canada Praised at Management Congress

A new field for Canadian leadership emerges from S. America conference

by Norman O. Paquet
President, Stevenson & Kellogg, Ltd.

THE TENTH International Management Congress held at Sao Paulo, Brazil February 19 to 24 this year was the first ever to be conducted south of the equator. The 1951 congress was held in Brussels. About 500 delegates attended from 24 countries, members of CIOS (The International Committee for Scientific Management).

These international congresses exchange scientific management information between the free countries of the world. They provide a means of disseminating advance management developments and experiences to all participating countries with the aim of raising the level of management throughout the world.

The anticipated results of this were expressed by Harold Maynard in his closing address to the assembly: "We believe in the contribution which management can make to the world. Sound management raises productivity. Productivity brings prosperity. Prosperity gives people a stake in world peace."

The theme of the Tenth International Management Congress was "Top Management Problems" covering top management's role and responsibilities in general business management and the handling of personnel for the improvement of world productivity.

Member Countries Prepare Papers

The responsibility for the preparation of each of the eight papers to be presented to the congress is assigned by the executive of CIOS to a specific member country. All other countries have the opportunity of submitting their contribution on each of the subjects if they choose to do so through their central management organization. These contributions are submitted by the participating groups to the appropriate country responsible for the final paper which extracts pertinent material and incorporates it into the paper to be presented.

It was very gratifying to the Canadian delegates who attended to be assured that we in Canada are among the leaders in the world in our management thinking and practices.

Canadian groups associated with the Canadian Management Council (the Canadian member of CIOS) contributed substantially to five of the papers presented to the Congress. The list of the individual members of these groups, which follows, is an imposing one and contains many of our outstanding management leaders:

Clarence Fraser of The Bell Telephone Company of Canada was chairman of the group contributing to the paper on "Developing an Effective and Cooperative Organization Structure".

F. R. Manuel, Vice President of Stevenson & Kellogg, Ltd., "The Application of Techniques in the Small Enterprise".

Walter A. Thompson, Associate Dean of the School of Business Administration, University of Western Ontario, "Policy Determination, Direction and Control of Marketing".

A. M. Mackenzie, Assistant Vice President of the Bell Telephone Company of Canada, "Management Methods of Improving Human Relations".

P. A. Cumyn, Cumyn & Co., "Controls for Top Management Use".

Contribution of Canadians Acknowledged

The contribution of each of these groups were acknowledged in the papers presented to the Congress. When Rune Hoglund of Sweden presented his country's paper on "Developing an Effective and Co-operative Organization Structure", he made special and flattering mention concerning the Canadian contribution to his paper. Printed acknowledgment was also made in the text, "The authors are especially grateful for the outstanding contribution to this paper from Clarence Fraser, Canada". Col. L. F. Urwick of Great Britain, one of the foremost authorities on organization, stated during the panel discussion that this was one of the best papers on organization he had read in recent years, and it was gratifying to know that the Canadian group had contributed so largely to its preparation.

All of those attending considered the Congress a great success. The city of Sao Paulo was a very fitting place in which to hold such an international meeting reflecting in its vitality, rapid growth and in its advanced architecture the scientific management movement through the world. Many travelled far and learned much.

Winnipeg Holds Successful Meeting

THE PERSONNEL Association of Greater Winnipeg attracted more than 200 enthusiastic personnel administrators to its Tenth Annual Conference in Winnipeg, March 26.

Professor E. D. MacPhee, Director of the School of Commerce, U.B.C., gave the address "The Conditions of Survival of Personnel Work" printed elsewhere in this issue.

Cassius C. Belden, Canadian representative of Industrial Relations Counsellors Service, told of the opportunities that exist for management initiative in employer relations.

"Personnel Administration—How and Why" was the subject of a talk by Elmer S. Phillips, Supervisor of Personnel, Great West Life Assurance Co.

Robert A. Willson, Director of Industrial Relations, the Studebaker Corp. of Canada Ltd., Hamilton, Ontario, showed how communications must be designed to be accepted.

Canada Host to Mental Health Congress

by W. Line, Ph. D.

Profesor of Psychology, University of Toronto
Chairman, Program Planning Committee
Fifth International Congress on Mental Health

AT THE UNIVERSITY of Toronto, August 14 to 21 this year, the Fifth International Congress on Mental Health will bring together scientists and citizens from 46 countries representing all disciplines devoted to the study of man and his interpersonal and intercultural relationships. The organization of such a Congress demands that various interests be represented; focal to these is our concern with industrial mental health and human relations in industry.

The membership of the Congress will include psychiatrists and other members of the medical profession, social scientists, educators, public health officials personnel officers and industrialists, nurses, as well as many interested laymen. All delegates will meet together each day in plenary session. To encompass the manifold interests of so diverse a group, the Congress will divide into five technical sections. These sections are Partnership in Mental and Public Health; Mental Health of Children and Youth; Mental Health in Governmental Activities; Community Partnership in Mental Health; and Professional Advances in the Mental Health Field.

These technical sections will meet simultaneously each morning, Monday to Friday and a delegate will be expected to stay with the same section all week. An opportunity for more intimate discussion will be provided through small discussion groups which will also meet through the week.

Our concern is with Industrial Mental Health and Human Relations. In the present-day world, with industrialization and technology presenting domestic and international challenges, no one can deny the importance of a constructive, healthful industrialization policy. This has been recognized as a major problem by the Mental Health Movement the world over.

Research Symposium at University of Toronto

Prior to the Congress, from August 2 to 12, a research symposium is being held at the University of Toronto, which brings together scientific research workers in industrial relation from industrialized and as yet non-industrial countries. The symposium will represent an interchange of scientific experience around the world, and assess present knowledge and future action and research priorities.

Among participants who are expected from abroad will be such distinguished visitors as Dr. Erland Mindus of Sweden who has conducted numerous researches to further the welfare of men and women in that country; Dr. H. P. Dastur who is concerned with the health of workers in the great TAT works in India; Dr. H. P. Cook of the Department of Labor and National Service of Australia; Dr. Roger Tredgold who is active in the industrial health field in Britain; Dr. J. J. Gillon of the Ministry of Labor and Social Security of France, and others.

North American participants include Dr. Temple Burling of the New York School of Industrial and Labor Relations at Cornell University; Dr. Solon Kimball of Columbia University and Dr. John Rohrer of Tulane University, New Orleans. We also expect that the International Labor Organization and International Free Trade Unions will be represented.

The experience of this group will be shared with the Congress delegates generally through their presence at this meeting. It was felt however, that members of the industrial and personnel community who live close to Toronto might like to have an opportunity for a closer acquaintance with what is being done in other countries. As the Symposium members present their material to each other during the first two days of their special gathering we are making arrangements for some 150 to 200 people to "listen in." These same people will have an opportunity to learn of the further deliberations of the Symposium when it reports its activities and findings to the Congress.

Discussion Groups Share Problems

During the entire week of the Congress, voluntary discussion groups may take advantage of the presence of people from home and abroad, and share the local and universal problems of human relations in industry.

This is a magnificent opportunity to come to grips with our domestic, parochial problems, with help from those who see us from the outside as well as from within; and to share the wider perspective through a healthful industrialization process, that may develop a world-wide kinship. The proper study of mankind is man; and the Congress should be a milestone in this respect if we regard our industrial institutions in responsible terms.

The Congress Committee has asked me to invite all readers of this journal not only to participate in the meeting on August 3 and 4, but also to join with their colleagues from around the world at the Fifth International Congress on Mental Health in Toronto, August 14 to 21. For more information about these meetings write The Executive Officer, Fifth International Congress on Mental Health, 111 St. George St., Toronto, Ontario.

Advanced Management School at Banff

FOUR Western Universities joined forces this spring to put on the Advanced Management School at Banff, February 1 to March 13. It is held at the beautiful Banff School of Fine Arts, and the students are quartered in mountain chalets.

The Course in Advanced Management is designed to meet the needs of business firms who wish to train executives for roles of greater responsibility. It is an intensive and practical course of study, based on the combined experience and methods of the Harvard School of Business Administration, the Universities of Western Ontario and Toronto, and the University of Washington, College of Business Administration.

"War Baby" Grows up

by E. H. Gennis

DURING the dark days of 1942 the momentum of World War II amplified the need for a greater amount of coordination among the rapidly expanding war industries, particularly in the matter of labor relations.

As a result a group of ten personnel people held an informal meeting on March 30, 1942, to discuss mutual problems and to seek their solutions through joint effort. Out of this meeting, which was held in the offices of the Boeing Aircraft Company under the Chairmanship of Gerald H. Heller, Personnel Supervisor of the Dominion Bridge Co. Ltd., was conceived the War Industries Coordinating Committee. Objectives were to work together in an effort to overcome labor shortage, to improve morale, to exchange views, to keep each informed on matters of general interest, and to obtain greater coordination in industry for the prosecution of the war effort. Dinner meetings were held monthly at the plants; thus the formation of what was later to become the Personnel Association of British Columbia took place.

The value of this committee was obvious. With an eye to the future, it was felt desirable to frame a constitution and form an association to develop the groundwork. On July 7, 1944, a constitution was prepared and approved and the name of the committee changed to the Personnel Administrators' Association of British Columbia.

An important milestone in the history of the Association was reached in February, 1947 when the constitution was again revised and the name changed to the Personnel Association of British Columbia. In June of the same year another event took place when an affiliation as a chapter of the Pacific Northwest Personnel Management Association was consummated.

From a beginning of 10 members in 1942 to a roster containing the names of over 100 members is ample evidence of a solid foundation originally laid and of the continuing necessity for sound employer-employee relations.

B. C.'s Controversial Bill 28

by R. A. Mahoney

THE TUMULT and the shouting over Bill 28 seems to have died down at least temporarily. This bill, which is the proposed legislation under which trade unions and management in British Columbia must operate for at least a year, and possibly longer, may become law shortly.

Some of the important provisions of the proposed act appear to be as follows:—

The Provincial Minister of Labour has been given almost complete authority and *may* take much more direct control over labor management affairs.

Intent of the new Bill *seems to be* to give more power to conciliation officers and to make it possible to by-pass conciliation boards in some instances.

Certification of small craft groups within industrial units *may* be more common under the new law.

Prosecution of unions for illegal acts *may* be more prevalent under the new legislation and the penalties for such action are more clearly definied.

The vague wording of the above clauses is intentional and I think provides the key to Bill 28. The Minister of Labour has given little or no indication of how the new legislation is to be administered, nor can anyone forsee just how the courts and the people involved in working under the new Act are to interpret the new provisions.

Interpretation and administration in legislation of this kind is all important. It may be that the actual change from existing practice will be negligible. It may be that changed interpretation and administration will bring great changes. Until the time that government policy in this matter becomes crystallized and known, forecasts of what changes are entailed must, of necessity, be indefinite and probably inadequate.

McMaster Bachelor of Commerce Degree

President Gilmour announced recently that McMaster University will offer an honors course leading to the degree Bachelor of Commerce.

The course is a four-year honors course and honor standing will have to be maintained by students wishing to secure the B.Com. degree. It is designed fundamentally as a university course and is not concerned with technology alone.

The course will be offered through the Department of Political Economy and the work of that Department will be enlarged.

While the engineering class for this degree will register in 1954 and graduate in 1958, it is anticipated that selected students now in course will be allowed to take the new degree in 1956 and, perhaps, in 1955.

Commenting on the announcement, Professor J. E. L. Graham, Chairman of the Department of Political Economy, said:

"McMaster is happy to be expanding its work in commerce and business studies. The Department of Political Economy welcomes this important extension of its work. This is necessary development in the light of McMaster's expanding educational responsibilities, not only to its own growing industrial and busines community but also to the larger Canadian community that we seek to serve.

We plan to offer a program of study that has the academic discipline and high level of pre-professional education that is consistent with the exacting demands of modern business upon those who will be charged with its operation and leadership.

"In preparing our Commerce program we have enjoyed splendid support and advice from interested members of our local business community. As we develop our program we are confident that we shall continue to have the advice and encouragement of the business community.

"Without this, our venture will not achieve its full purpose, which is to provide an educational background for careers in business and industry that combines specialized knowledge with the basic discipline of a liberal education."

Government-University Labour Research

by A. H. Brown

Deputy Minister of Labour, Ottawa

SINCE 1951 the Canadian Department of Labour has been cooperating with Canadian universities in making grants available each summer to the universities for research in the settlement of labor-management disputes. These research grants are made available through the Labour Department-University Research Program.

The research program arose out of discussions during 1950 and early 1951 between faculty members of a number of universities and officers of the Canadian Department of Labour. There was general agreement among the persons concerned in the discussions that insufficient research in the field of labor-management relations was being done in this country. Although several methods of stimulating research in this area were discussed, it was decided that a co-operative type program should be undertaken and that the research area should be confined to the settlement of industrial disputes, for the first few years at least.

Early in 1951 a committee was established to administer the research program. The committee, known as the Labour Department-University Research Committee, is composed of representatives from a number of Canadian universities and from the Federal Department of Labour.

In most cases the research projects are done during the summer in the universities by senior graduate students and faculty personnel. For each project, a senior faculty member at the university is named as research supervisor or consultant.

Early in the year, application forms are distributed among the universities. During March the Research Advisory Committee meets to review all completed application forms received. For those considered by the Committee to be most worthy of support, recommendations are made to the Department that grants, up to an over-all total of $7,000 each year, be paid to the universities concerned. Over the four years to date, some 17 grants have been recommended to enable research to be undertaken on various aspects of the settelment of labor-management disputes. Five of these research fellowships have been made for work at McGill University, four at Toronto University, three at the University of British Columbia, two at Laval University and one each at Queen's, Dalhousie, and the University of New Brunswick.

Committee meetings are usually held in the autumn to review progress under the program and to consider reports and other communications received from university personnel participating in the program. In addition, tentative plans for the following summer are made at the autumn meetings.

Through correspondence and, when possible, personal contact, the Committee has kept Provincial Deputy Ministers of Labour informed of developments under the program. Provincial departments of labour have greatly assisted research personnel in gathering data for their projects. Many persons from both management and the labor unions have also given valuable assistance to the persons engaged in research studies.

Book Outlines Teaching Method

THE CASE METHOD OF TEACHING HUMAN RELATIONS AND ADMINISTRATION — by Kenneth R. Andrews — *S. J. Reginald Saunders & Co. Ltd.* — $5.85

All who are familiar with THE ADMINISTRATOR by Glover & Hower, a text which outlines the Case method as a teaching technique, will find many questions answered in this new book which backfills in a very useful manner. In Kennth R. Andrews' capable hands, a sounder theoretical foundation now supports the Case method as a teaching technique.

Essentially, the Case method of teaching human relations and administration re-emphasizes a concept of learning that will be familiar to all who have heard of or read Rogers on counselling, or Cantor on learning; namely, that the teacher's job, regardless of where he may find himself, is one of creating an environment that permits learning as a growth activity of the individual.

Accordingly, teaching by the Case method appears in its true light — a technique and only a technique, for creating a learning atmosphere.

This book does two things well. It presents a clear and simple philosophy of learning based on social science research as underlying a technique useful in translating theory into a teaching practice that is of evident and lasting benefit to all participants.

It also suggests that a person who is directly responsible for the work of others, and who must teach and inspire his staff, can daily create a productive learning situation, either through the medium of the Case method or of a method of his own devising.

But, the book cautions: "We have found that, for better or worse, we have to be ourselves, and techniques must be a manifestation of one's true self. If it is a kind of synthetic overlay without integral relation to the man, it can hardly be otherwise than uncomfortable, ineffective and ridiculous."

by J. D. Neill

Industrial System in Review

INDUSTRIAL FRUSTRATION — by Lewis C. Ord — *The Mayflower Publishing Co. Ltd. — In Canada, the Ryerson Press* — $2.50

The author, an Englishman, from a background of managerial experience gained in several countries, makes a searching comparison of industrial systems in Great Britain, the U.S.A. and the U.S.S.R. The rise of British industrial power is described and the gradual process of its eclipse by American enterprise, starting circa 1880, traced.

Much credit for this process of overtaking is given to trade union activities in the big Republic, and the subject of unionism is projected frequently into the reasoning employed. The reader may not always concur.

The superiority of the U.S. worker production-wise is admitted, and the policies of comparative non-interference by his unions are favourably commented on.

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